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# CL&P Earnings Meeting December 2025 YTD

April 3, 2026

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# CL&P Earnings Drivers – 2025 Actual vs 2025 Plan

| December YTD ($ In Millions) | Actual | Plan Final | Better/ (Worse) |
|---|---|---|---|
| Electric Distribution Revenues | $ 1,136.3 | $ 1,136.3 | $ (0.0) |
| Electric Distribution Trackers | 243.5 | 241.7 | 1.8 |
| Energy Efficiency Programs | 15.7 | 13.1 | 2.6 |
| Other Revenues/Income | 51.2 | 43.5 | 7.7 |
| Non-Tracked O&M | 512.4 | 437.5 | (74.9) |
| Depreciation Expense | 241.8 | 243.0 | 1.1 |
| Amortization Expense | 7.9 | 1.6 | (6.3) |
| Property and Other Taxes | 228.3 | 230.0 | 1.7 |
| Interest Expense | 145.9 | 143.3 | (2.6) |
| **Distribution/Parent & Other** | **310.3** | **379.2** | **(68.9)** |
| **Transmission** | **408.2** | **411.3** | **(3.1)** |
| **Total Pre-Tax Earnings** | **$ 718.5** | **$ 790.5** | **$ (72.0)** |
| Income Tax Expense | 167.2 | 200.9 | 33.7 |
| Preferred Dividends | 5.6 | 5.6 | 0.0 |
| **Net Income from Recurring Operations** | **$ 545.8** | **$ 584.1** | **$ (38.3)** |

| *($ in millions)* | Actual | Plan | Variance |
|---|---|---|---|
| Interest Income | $ 8.9 | $ 1.4 | $ 7.5 |
| AFUDC Equity | 9.2 | 9.3 | (0.2) |
| Decoupled Other Revenue | 25.8 | 25.8 | 0.0 |
| Other | 7.3 | 7.0 | 0.3 |
| **Total Other Revenue/Income** | **$ 51.2** | **$ 43.5** | **$ 7.7** |

| *($ in millions)* | Actual | Plan | Variance |
|---|---|---|---|
| Long Term Interest | $ 143.3 | $ 145.1 | $ 1.8 |
| Short Term Interest | 0.8 | 2.9 | 2.1 |
| Regulatory Interest | 4.0 | (0.2) | (4.2) |
| Other | (2.2) | (4.5) | (2.3) |
| **Total Interest Expense** | **$ 145.9** | **$ 143.3** | **$ (2.6)** |

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# CL&P Transmission – 2025 Actual vs 2025 Plan



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# CL&P Sales and Revenue Overview 2025 Actual vs 2025 Budget

| | Actual 2025 | Budget 2025 | Variance 2025 | Weather Normalized |
|---|---|---|---|---|
| *Electric Sales (GWH):* | | | | |
| Connecticut | 20,351 | 20,071 | 1.4% | 1.5% |
| Massachusetts | [redacted] | | | |
| New Hampshire | | | | |
| *Total Electric* | | | | |

| | Actual 2025 | Budget 2025 | B/(W) Variance |
|---|---|---|---|
| *Electric Distribution Revenue ($M):* | | | |
| Connecticut | $ 1,136 | $ 1,136 | $ (0) |
| Massachusetts | $ [redacted] | | |
| New Hampshire | $ | | |
| *Total Electric* | $ | | |

Overview

- Favorable weather through December has resulted in higher sales for our electric companies

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# CL&P Electric Non-Tracked O&M – December 2025 YTD

$ millions

| Organization: | Actual Dec 2024 YTD | Actual Dec 2025 YTD | Budget 2025 | 2025 vs PY Actual | 2025 vs Budget | 2025 Budget |
|---|---|---|---|---|---|---|
| Operations Non-Storms | $ 147.1 | $ 145.7 | $ 138.9 | $ (1.3) | $ 6.8 | $ 138.9 |
| Operations Storms | 43.2 | 51.1 | 27.0 | 7.8 | 24.1 | 27.0 |
| Operations | 190.3 | 196.8 | 165.9 | 6.5 | 30.9 | 165.9 |
| Communications, External Affairs & Sustainability | 8.5 | 7.4 | 8.0 | (1.1) | (0.6) | 8.0 |
| Customer Group | 45.6 | 42.4 | 42.7 | (3.3) | (0.3) | 42.7 |
| General Counsel | 5.4 | 5.4 | 4.4 | (0.1) | 1.0 | 4.4 |
| Enterprise Energy Strat + Bus Dev | 0.1 | - | - | (0.1) | - | - |
| Human Resources & Information Tech. | 35.6 | 36.5 | 35.2 | 0.9 | 1.2 | 35.2 |
| Chief Financial Officer | 39.5 | 41.2 | 40.5 | 1.8 | 0.7 | 40.5 |
| Chief Executive Officer | 0.3 | 0.3 | 0.3 | (0.0) | (0.0) | 0.3 |
| **Subtotal Area Budgets** | **$ 325.2** | **$ 329.9** | **$ 297.1** | **$ 4.7** | **$ 32.8** | **$ 297.1** |
| 303:Benefits | 51.6 | 47.8 | 37.4 | (3.8) | 10.4 | 37.4 |
| 270:Bad Debt | 18.3 | 18.5 | 25.3 | 0.2 | (6.7) | 25.3 |
| 304:Incentives | 17.7 | 29.5 | 6.1 | 11.8 | 23.4 | 6.1 |
| 305:Accounting Adjust. & Reserves | 0.6 | 4.0 | 0.9 | 3.4 | 3.1 | 0.9 |
| Capitalization | (63.4) | (63.1) | (71.0) | 0.3 | 7.9 | (71.0) |
| 308:Eliminations | 0.0 | 0.0 | - | 0.0 | 0.0 | - |
| Service Co Depreciation | 46.3 | 49.4 | 47.9 | 3.1 | 1.5 | 47.9 |
| Service Co Return | 26.2 | 25.8 | 25.8 | (0.4) | (0.0) | 25.8 |
| Intercompany Rents/Leases | 1.1 | 1.1 | 1.1 | (0.0) | (0.0) | 1.1 |
| Intercompany Other | 25.4 | 29.0 | 22.3 | 3.6 | 6.6 | 22.3 |
| 309:Intercompany Billing | 98.9 | 105.2 | 97.1 | 6.3 | 8.1 | 97.1 |
| 310:Miscellaneous Other | 32.3 | 36.5 | 40.5 | 4.2 | (4.0) | 40.5 |
| Unregulated Business | - | - | - | - | - | - |
| 31G: Merger Integration- Gas OpCo | - | - | - | - | - | - |
| 318:NSTAR Transmission Allocation | - | - | - | - | - | - |
| 14i: Rocky River Rents | 4.2 | 3.9 | 4.0 | (0.3) | (0.1) | 4.0 |
| **Subtotal Corporate Costs** | 160.4 | 182.5 | 140.4 | 22.1 | 42.1 | 140.4 |
| **Total O&M Excluding Aquarion** | **$ 485.6** | **$ 512.4** | **$ 437.5** | **$ 26.8** | **$ 75.0** | **$ 437.5** |

## Actual vs Budget Explanations

- **Operations Non-Storms-** Primarily due to labor, vehicles, and reimbursables partially offset by outside services, misc. accounting, and allocations.
- **Operations Storms-** Primarily due to labor, outside services, vehicles and allocations, partially offset by misc. expenses.
- **Comm, Ext Aff & Sustainability-** Primarily due to dues & membership fees.
- **Customer Group-** Primarily due to outside services and allocations partially offset by labor, material and misc. accounting.
- **General Counsel-** Primarily due to outside services and misc. accounting adj.
- **HR & IT-** Primarily due to labor, telephone, and outside services.
- **CFO**- Primarily due rents/leases, fees + assessments, and outside services partially offset by labor and insurance.
- **Benefits-** Primarily due employee expenses, misc. expenses, pension, medical, pension, and long term disability.
- **Bad Debt-** Primarily due to the bad debt uncollectible partially offset by outside services and misc. journal entries.
- **Incentives-** Primarily due to misc. Accounting and employee/Executive incentives.
- **Accounting Adj. & Reserves-** Primarily due to bad debt uncollectible.
- **Capitalization-** Primarily due to misc. accounting and allocations.
- **Miscellaneous Other-** Primarily due to non-labor accounting, joint line billing and outside services partially offset by fees + payments.

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# CL&P Earnings Drivers – 2026 Plan vs 2025 Actual

| ($ In Millions) | 2026 Plan | 2025 Actual | Better/ (Worse) |
|---|---|---|---|
| Electric Distribution Revenues | $ 1,136.3 | $ 1,136.3 | $ 0.0 |
| Electric Distribution Trackers | 279.1 | 243.5 | 35.6 |
| Energy Efficiency Programs | 12.5 | 15.7 | (3.2) |
| Other Revenues/Income | 71.5 | 51.2 | 20.3 |
| Non-Tracked O&M | 450.4 | 512.4 | 61.9 |
| Depreciation Expense | 254.0 | 241.8 | (12.2) |
| Amortization Expense | (3.9) | 7.9 | 11.9 |
| Property and Other Taxes | 236.4 | 228.3 | (8.1) |
| Interest Expense | 159.3 | 145.9 | (13.4) |
| **Distribution/Parent & Other** | **$ 403.2** | **$ 310.3** | **$ 92.9** |
| **Transmission** | **407.5** | **408.2** | **(0.8)** |
| **Total Pre-Tax Earnings** | **$ 810.6** | **$ 718.5** | **$ 92.1** |
| Income Tax Expense | 195.5 | 167.2 | (28.3) |
| Preferred Dividends | 5.6 | 5.6 | - |
| **Net Income from Recurring Operations** | **$ 609.5** | **$ 545.8** | **$ 63.8** |

| *($ in millions)* | 2026 Plan | 2025 Actual | Variance |
|---|---|---|---|
| Interest Income | $ 24.7 | $ 8.9 | $ 15.8 |
| AFUDC Equity | 8.0 | 9.2 | (1.2) |
| Decoupled Other Revenue | 25.8 | 25.8 | (0.0) |
| Other | 13.1 | 7.3 | 5.7 |
| **Total Other Revenue/Income** | **$ 71.5** | **$ 51.2** | **$ 20.3** |

| *($ in millions)* | 2026 Plan | 2025 Actual | Variance |
|---|---|---|---|
| Long Term Interest | $ 144.2 | $ 143.3 | $ (0.9) |
| Short Term Interest | 7.5 | 0.8 | (6.7) |
| Regulatory Interest | 11.3 | 4.0 | (7.3) |
| Other | (3.8) | (2.2) | 1.6 |
| **Total Interest Expense** | **$ 159.3** | **$ 145.9** | **$ (13.4)** |

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# CL&P Transmission – 2026 Plan vs 2025 Actual



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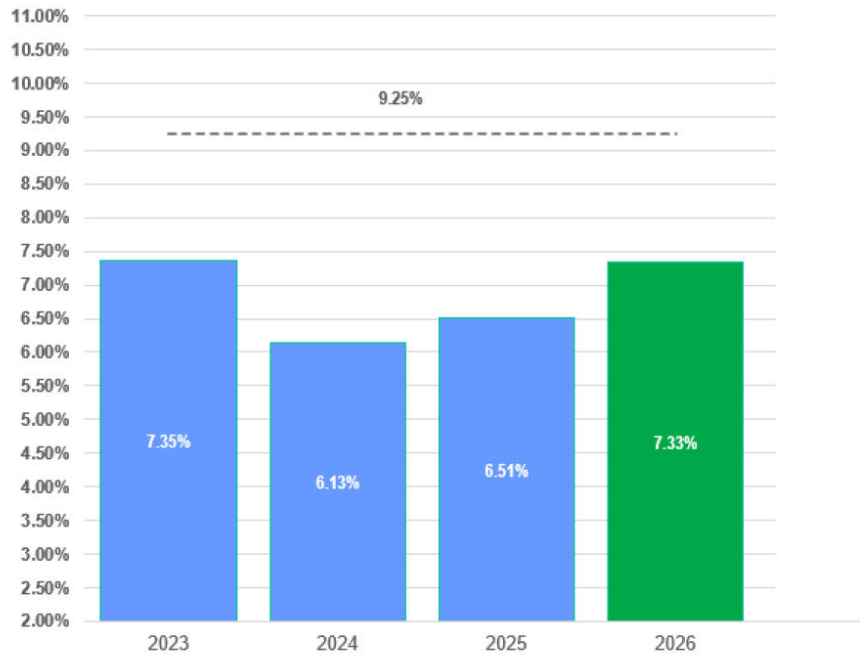
# CL&P Historical ROE




If actual ROE exceeds the allowed ROE at calendar year end, earnings in excess of the allowed ROE must be shared with customers 50/50

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# CL&P ROE Rollforward – 2025 Actual vs 2026 Plan

| | |
|---|---|
| **2025 Filed Actual** | **6.51%** |
| Change due to: | |
| Revenue, excl new storm | 0.00% |
| Return on storm rate base | 0.00% |
| O&M | 0.89% |
| Depreciation | -0.05% |
| Municipal Tax | -0.03% |
| Electric System Improvements | 0.43% |
| Reg Asset Amortization | 0.23% |
| Gross Earnings Tax | -0.02% |
| Payroll Tax | 0.00% |
| Other pretax income | -0.03% |
| *Subtotal, before ETR* | 1.43% |
| Income Taxes Other/ETR | -0.06% |
| Total Operating Income | 1.36% |
| Rate Base | -0.32% |
| Capital Structure | -0.22% |
| **2026 Budget** | **7.33%** |
| *Change* | 0.82% |

| Estimated Over / (under) allowed earnings: | 2025 Actual | 2026 Budget | At Allowed | Over / (Under) |
|---|---|---|---|---|
| Operating Income - 12 Months (A) | 376,041 | 427,609 | 503,075 | (75,466) |
| Average Rate Base (B) | 6,783,783 | 7,008,979 | 7,008,979 | - |
| Rate of Return (C) = (A) / (B) WACC | 5.54% | 6.10% | 7.18% | -1.08% |
| Weighted Cost of Debt (D) | 1.99% | 1.98% | 1.98% | 0.00% |
| Common Equity Component E = (C) - (D) | 3.55% | 4.12% | 5.20% | -1.08% |
| Equity Portion of Capitalization (F) | 54.56% | 56.19% | 56.19% | 0.00% |
| **Return on Equity (E) / (F)** | **6.51%** | **7.33%** | **9.25%** | **-1.92%** |

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# ROE Rollforward – 2020 Actual Filed vs 2026 plan

| | 2026 | 2020 |
|---|---|---|
| Operating Income - 12 Months (A) | $ 427,568 | $ 310,835 |
| Average Rate Base (B) | $ 7,008,979 | $ 4,484,752 |
| Rate of Return (C) = (A) / (B) WACC | 6.10% | 6.93% |
| Weighted Cost of Debt (D) | 1.98% | 1.92% |
| Common Equity Component E = (C) - (D) | 4.12% | 5.01% |
| Equity Portion of Capitalization (F) | 56.19% | 55.58% |
| **Return on Equity (E) / (F)** | **7.33%** | **9.02%** |

| | |
|---|---|
| **2020 filed actual ROE** | **9.02%** |
| Change due to: | |
| Rate Base | -4.50% |
| Capital Structure | -2.24% |
| O&M | -0.15% |
| Depreciation & Property & Other Taxes | -0.60% |
| Electric System Improvements | 4.16% |
| Income Taxes Other/ETR | 1.12% |
| All Other | 0.51% |
| **2026 Plan** | **7.33%** |